

# Legislative Fiscal Bureau

## Fiscal Note

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HF 2567 - Land Management & Planning (LSB 5415 HV)

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Fiscal Note Version - New

Requested by: Representative Ed Fallon

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### **Description**

House File 2567 establishes a statewide Land Management Planning Board, which replaces the current City Development Board, and expands the Board's duties. The Bill requires each county and cities in the county to establish a Strategic Development Committee. Two or more contiguous counties may combine to form one Strategic Development Committee. The purpose of the plan is to direct coordinated, efficient, and orderly urban development. Public hearings are required before developing a plan, after the proposed plan has been developed, and if the plan is revised after not being ratified by the cities. After the plan is approved locally, it is reviewed by the statewide Land Management Planning Board for approval. The approved plan is recorded with the county recorder and remains in effect for five years. The Strategic Development Plan is to be the basis for the cities' and counties' comprehensive plans.

The Bill notwithstanding Section 25B.3, Code of Iowa, which deals with State mandates.

### **Assumptions**

1. Counties or groups of counties will be required to develop a Strategic Development Plan utilizing appointed and volunteer members on the local Strategic Development Committee. It is assumed these committees will not have a budget, the committee members will not be paid, and the appropriate county department will absorb associated staff and supply costs. (Polk County operates volunteer boards and commissions in this manner; e.g., Planning and Zoning Commission and the Metropolitan Advisory Council.)
2. The Bill does not require a county or city to have a comprehensive plan. The Bill does require those with plans to amend their comprehensive plans to be consistent with the Strategic Development Plan.
3. Ratification of a local Strategic Development Plan requires agreement by all cities and counties affected by the plan. It is assumed that cities and counties will refuse to ratify a plan that causes them to make costly modifications to their comprehensive plans.
4. Sections 335.5 and 414.3, Code of Iowa, require counties and cities, respectively, to have comprehensive plans as a basis for zoning regulations. Counties and cities that have implemented zoning without comprehensive plans or implemented zoning that conflicts with their comprehensive plans will need to develop or update their comprehensive plans. It is assumed there will be no additional costs to make their new comprehensive plans conform to the Strategic Development Plan created in this Bill.
5. The cost to create a plan is approximately \$6,000 for small communities, \$30,000 for a medium-size community or county, and \$100,000 to \$150,000 for a large community or large county. It is assumed that the cost to amend a comprehensive plan that is not outdated is equal to the cost of developing a plan for a small community.
6. There are 327 cities and 71 counties with comprehensive plans.
7. Comprehensive plans have a useful life of five to seven years, therefore in this analysis, it is assumed one seventh of the plans will be in need of updating in any given year. If a plan is in need of updating, it is assumed there will be no additional cost to update the comprehensive plan so that it is also consistent with the Strategic Development Plan established in this Bill.

8. Counties and cities with comprehensive plans currently in need of updating and those in need of updating prior to January 1, 2004, will delay updating their plans until the Strategic Development Plan is in place, and thus will avoid the costs of amending their plans to conform to the Strategic Development Plan.
9. There are 539 municipalities with zoning ordinances, which exceeds the 327 cities with plans. Of those with plans, 239 did not implement zoning regulations that were consistent with their comprehensive plans.
10. There are 77 counties with zoning regulations, and 7 have zoning without a comprehensive plan. Forty-four percent based their zoning on their comprehensive plan.
11. Public hearings will need to be published at a cost of \$50 per public hearing. Two public hearings will be held in each county. A third public hearing will be held if a Strategic Development Plan is revised. The counties will be able to hold the public hearings in available public facilities at no cost.
12. The Department of Economic Development will provide staffing for the Land Management Board utilizing appropriated resources.
13. Only a portion of the cities and counties will be required to amend their comprehensive plans as a result of this Bill.

<b>Cities That May Need to Amend Their Comprehensive Plans</b>		
Cities with zoning		539
Cities that zoned without a comprehensive plan	- 212	
Cities with comprehensive plans		327
Cities that did not comply with comprehensive plans when zoning	- 239	
Cities with plans in need of updating	- 13	
Cities that will delay updating plans until 2004	- 16	
Cities that may have updating costs as a result of this Bill		59

<b>Counties That May Need to Amend Their Comprehensive Plans</b>		
Counties with zoning		77
Counties that zoned without a comprehensive plan	- 7	
Counties that did not comply with comprehensive plans when zoning	- 43	
Counties with plans in need of updating	- 4	
Counties that will delay updating plans until 2004	- 5	
Counties that may have updating costs as a result of this Bill		18

### **Fiscal Impact**

The cost for the 59 cities affected by HF 2567 to amend their comprehensive plans to come into compliance with the local Strategic Development Plan is estimated to cost up to \$354,000 statewide.

The cost for the 18 counties who may be required to amend their comprehensive plans to come into compliance with the local Strategic Development Plan is estimated to cost up to \$108,000. The publication costs for three public hearings could be up to \$15,000. The total statewide costs could be up to \$123,000.

The local Strategic Development Committee will utilize volunteers and appointees who serve unpaid, and the Committees will not have budgets. Staffing and support costs will be provided by the counties as part of normal operations.

The Department of Economic Development will experience costs of \$181,000 annually for staffing, per diem payments, and expenses.

## **Sources**

Department of Economic Development

Iowa League of Cities

Iowa State Association of Counties

Polk County

Emmet County

West Des Moines Planning Division

City of Knoxville

Borich, Timothy O. et al. "An Inventory of Local Land-Use Planning in Iowa – Preliminary Report," Institute for Design Research and Outreach, Department of Community and Regional Planning, University Extension, Iowa State University: March 10, 2000

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/s/ Dennis C Prouty

March 12, 2002

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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